

MOVING TO WORK DEMONSTRATION AGREEMENT

This Agreement is entered into by and between the United States of America through the Department of Housing and Urban Development ("HUD") and the Housing Authority of the City of Pittsburgh (the "Agency"). The term of this Agreement shall begin on the Date of Execution by HUD.

WHEREAS, Section 204 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134) (the "1996 Appropriations Act") establishes the Public Housing/Section 8 Moving to Work Demonstration program ("MTW"); and

WHEREAS, Section 204(a) of the 1996 Appropriations Act provides that public housing agencies ("PHAs") and the Secretary of the Department of Housing and Urban Development (the "Secretary") shall: have the flexibility to design and test various approaches for providing and administering housing assistance that reduce cost and achieve greater cost effectiveness in Federal expenditures; give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and increase housing choices for low-income families; and

WHEREAS, HUD may permit agencies to combine funds from several HUD programs, and may exempt agencies from existing public and Indian housing and Section 8 certificate and voucher rules under Moving to Work demonstration authority; and

WHEREAS, the Secretary has the authority to select up to thirty (30) agencies that administer the public housing and Section 8 programs to participate in the Moving to Work demonstration program; and

WHEREAS, the Secretary has determined that the Agency satisfies the Secretary's selection criteria as set forth in the Notice of Moving to Work Demonstration program and invitation to apply, published December 18, 1996 (61 Fed. Reg. 66856); and

WHEREAS, the parties have previously entered into one or more annual contributions contracts ("the ACCs") setting forth the terms and conditions under which the Agency participates in the public housing and/or Section 8 certificate and voucher programs administered by HUD; and

WHEREAS, the parties desire to state the terms and conditions under which HUD will permit the Agency to participate in the Moving to Work Demonstration program as set forth in the Agency's HUD-approved Moving to Work Plan (the "MTW Plan"), attached hereto as Appendix A. The Agency's MTW Plan is hereby incorporated into this Agreement;

NOW, THEREFORE, in reliance upon and in consideration of the mutual representations and obligations hereunder, the parties do agree as follows:

ARTICLE I. HUD Program Requirements and Other Federal Requirements.

The Agency agrees to comply with the following requirements for which HUD has enforcement authority. There may be other Federal laws applicable to the use of funds for which HUD does not have enforcement authority.

A. This Agreement supersedes the terms and conditions of the ACCs and the provisions of the United States Housing Act of 1937 (the "1937 Act") and HUD requirements to the extent necessary for the Agency to implement its MTW Plan, as approved by HUD. Except as necessary to implement the Agency's activities described in the MTW Plan, the Agency is subject to the requirements of the ACCs, the 1937 Act, and other HUD requirements. Notwithstanding anything in this Agreement, the following provisions of the 1937 Act, as otherwise applicable, shall continue to apply to the Agency and/or assistance received pursuant the 1937 Act:

1. The terms "low-income families" and "very low-income families" shall continue to be defined by reference to Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2));
2. Section 18 of the 1937 Act (42 U.S.C. 1437p, as amended by Section 1002(d) of Public Law 104-19, Section 201(b)(1) of Public Law 104-134, and Section 201(b) of Public Law 104-202), governing demolition and disposition, shall continue to apply to public housing notwithstanding any use of the housing under MTW; and
3. Section 12 of the 1937 Act (42 U.S.C. 1437j), governing wage rates, shall apply to housing assisted under MTW unless tenant-based assistance is the only assistance received by participating families and the housing in which they reside receives no other assistance.

- B. To the extent described in the Agency's MTW Plan, as applicable and as approved by HUD, the Agency may combine operating subsidies provided under Section 9 of the 1937 Act (42 U.S.C. 1437g), modernization funding provided under Section 14 of the 1937 Act (42 U.S.C. 1437l) and assistance provided under Section 8 of the 1937 Act for the certificate and voucher programs (42 U.S.C. 1437f) to fund HUD approved MTW activities.
- C. This Agreement does not apply to Section 8 assistance that is required: (a) to meet existing contractual obligations of the Agency to a third party (such as Housing Assistance Payment contracts with owners under the Agency's Section 8 certificate and voucher program); (b) for payments to other PHAs under Section 8 portability billing procedures; or (c) to meet particular purposes for which HUD has expressly committed the assistance to the Agency. Such Section 8 assistance may not be used for Agency activities under the MTW plan.
- D. The Agency agrees to comply with HUD requirements governing the MTW program. Such HUD requirements include, but are not limited to management, financial, accounting, or other requirements designed to adequately track and monitor the Agency's use of HUD assistance. The Agency agrees to cooperate fully with HUD and its contractors in the monitoring and evaluation of the MTW demonstration, to keep records and to submit reports to HUD as required of PHAs participating in the MTW program. The Agency agrees to submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall document the use of assistance under the demonstration; provide data as the Secretary may request to assist the Secretary in assessing the demonstration; and describe and analyze the effect of assisted activities in addressing the objectives of the demonstration.
- E. Pursuant to the 1996 Appropriations Act, the amount of assistance that the Agency receives for public housing operating subsidies, public housing modernization grants, and Section 8 assistance for certificates and vouchers will not be diminished by the Agency's participation in the MTW program.
- F. Any HUD assistance that the Agency is authorized to use in the MTW demonstration must be used in accordance with the Agency's HUD-approved MTW Plan (Appendix A). The Agency hereby certifies that the MTW Plan has been approved by the Agency's governing board.
- G. The Agency agrees that at least seventy-five percent (75%) of the families assisted by the Agency under the MTW demonstration program will be very low-income families. The Agency agrees to continue to assist substantially the same number of eligible low-income families under MTW, and to maintain a comparable mix of families by family size, as would have been served or assisted if HUD funding sources had not been used under the MTW demonstration. The Agency agrees to establish and maintain a reasonable family rent policy, as approved by HUD, that is designed to encourage employment and self-sufficiency on the

part of participating families. The Agency agrees that housing assisted under MTW will meet housing quality standards established or approved by HUD.

- H. The Agency agrees to comply with the following Federal requirements: (1) the nondiscrimination and equal opportunity requirements, the disclosure requirements governing funding competitions, the prohibitions regarding debarred, suspended or ineligible contractors, and the Drug-Free Workplace requirements as set forth at 24 CFR section 5.105; and (2) the Americans with Disabilities Act of 1990.
- I. If applicable to activities under the MTW Plan, the Agency agrees to provide HUD with any documentation that HUD needs to carry out its review under the National Environmental Policy Act (NEPA) and other related authorities and otherwise will assist HUD in complying with 24 CFR Part 50 environmental review procedures. The Agency further agrees (a) to carry out mitigating measures required by HUD or select an alternate eligible property, if permitted by HUD, and (b) not to acquire, rehabilitate, convert, lease, repair or construct property, or commit HUD or local funds to program activities involving eligible property without HUD's approval under 24 CFR Part 50.

ARTICLE II. Revision and Termination of Agency MTW Program

- A. With HUD approval, the MTW Plan may be revised during the course of the demonstration. The Agency shall request approval of a revision by written notification to HUD (delivered to the Office of Policy, Program, and Legislative Initiatives, or its successor, in the Office of Public and Indian Housing). Any revision to the MTW plan must be approved in advance by HUD.
- B. The Agency shall fully cooperate with HUD in developing and implementing a transition plan for terminating the Agency's MTW demonstration program and providing for the continued administration of the public housing and Section 8 programs, as applicable.
- C. At any time HUD may terminate this Agreement, and the Agency MTW demonstration, for Agency default or other good cause as determined by HUD.

ARTICLE III. Default.

- A. Definition of Default. Use of funds subject to this Agreement for a purpose other than as authorized by this Agreement; noncompliance with legislative, regulatory, or other requirements applicable to this Agreement; other material breach of this Agreement; material misrepresentation in the MTW Plan submission by the Agency shall be a default under this Agreement.
- B. HUD's Determination of Default. If HUD determines that the Agency is in default, HUD will give the Agency written notice of the default and of the corrective or remedial action required or ordered by HUD.
- C. Corrective or remedial actions HUD may require or order under this Agreement include, but are not limited to the following:
1. Requiring the Agency to prepare and follow a HUD approved schedule of actions and/or a management plan for properly completing the activities approved under this Agreement;
 2. Canceling or revising the affected activities, revising the budget for activities as necessary, and substituting other eligible activities;
 3. Discontinuing draws under the Line of Credit Control System-Voice Response System and prohibiting payment or reimbursement for any MTW demonstration activities or for those activities affected by the default; and
 4. Requiring reimbursement by the Agency to HUD for amounts used improperly.
- D. HUD's Remedies for Agency Default. HUD may exercise any available remedies for Agency default under this Agreement, which include, but are not limited to:
1. Terminating this Agreement;
 2. Changing the method of payment to the agency;
 3. Suspending the Agency's authority to make draws or receive or use funds for affected activities;
 4. Reducing the Agency's funding in the amount affected by the default;
 5. Terminating the Agency's funding as to further activities under the MTW demonstration;
 6. Taking action against the Agency under 24 CFR Part 24 and Executive Order 12549 with respect to future HUD or Federal grant awards;

7. Requiring reimbursement by the Agency to HUD for amounts used improperly,
8. Taking any other remedial action legally available; and
9. Taking action, as applicable, pursuant to the Section 8 and/or public housing Annual Contributions Contract.

HOUSING AUTHORITY OF THE CITY OF
PITTSBURGH

By _____

Its Executive Director

Date of Execution by Agency OCT 24 2000

UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

By _____

Its Asst Sec PIH

Date of Execution by HUD 11-17-00

APPENDIX
TO
MOVING TO WORK DEMONSTRATION AGREEMENT
BETWEEN
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND
THE HOUSING AUTHORITY OF THE CITY OF PITTSBURGH

Statement of Authorizations

Section 1. General Conditions

This Statement of Authorizations describes the activities that the Housing Authority of the City of Pittsburgh (HACP) may carry out under the Moving to Work Demonstration program (MTW), subject to the terms and conditions of the Moving to Work Demonstration Agreement (MTW Agreement) between HACP and the U.S. Department of Housing and Urban Development (HUD). HACP and HUD also agree that this MTW Plan is subject to the following general conditions:

- A. Unless otherwise provided in this Agreement, HACP's MTW demonstration applies to all HACP public housing units and tenant-based Section 8 assistance.
- B. The term of the MTW Agreement and of the HACP's demonstration program is five (5) years, commencing on the date of the execution of the MTW Agreement by HUD. If the Agreement is executed in the middle of the HACP fiscal year, the demonstration will remain in effect for five (5) years from the start of the next fiscal year, but all MTW provisions will be effective immediately upon execution of this Agreement.
- C. HUD's evaluation plan for the MTW Demonstration may be reviewed by the HACP in advance of implementation. The HACP has 30 days to review the evaluation criteria; any objections to the evaluation will be forwarded to HUD for further consideration.

Section 2. Plan Elements

HACP is authorized to design and carry out a demonstration program under MTW, as described in this Agreement, which is intended to re-align public housing resources, rules, and responsibilities with those of the nation's traditional housing economy while offering families comprehensive case management support.

A. Occupancy Policies

1. Participation

HACP may make participation in MTW mandatory for all new and current HACP public housing residents and tenant-based assistance recipients with the exception of those living outside of the HACP jurisdiction under portability rules. HACP is authorized to require that all participants must sign a contract of participation with HACP. In accordance with HUD regulations, HACP is authorized to set certain threshold items for residency to include criminal background checks and prior rental payment history.

2. Site-Based Waiting Lists and Tenant Selection and Assignment Plans

HACP is authorized to establish a system of site-based waiting lists that is consistent with all applicable civil rights and fair housing laws and regulations. The HACP's Annual MTW Plan must include a description of HACP's system of site-based waiting lists, which shall be administered under the conditions specified in the Public Housing Agency Plans Final Rule issued October 21, 1999 as modified below to reflect that HACP will submit an MTW Plan and Report in lieu of the PHA Plan required by section 5A of the 1937 Act:

- a. The HACP must regularly submit required occupancy data to HUD's Multifamily Tenant Characteristics System (MTCS) in an accurate, complete, and timely manner.
- b. The system of site-based waiting lists must provide for full disclosure to each applicant of any option available in the selection of the development in which to reside, including basic information about available sites (location, occupancy, number and size of accessible units, amenities such as day care, security, transportation, training programs, and rent levels), and an estimate of the period of time the applicant would have to wait to be admitted to units of different sizes and types at each site;
- c. The adoption of site-based waiting lists must not violate any court order or settlement agreement, or be inconsistent with any pending complaint brought by HUD;
- d. The HACP must adopt reasonable measures to assure that the system of site-based waiting lists is consistent with affirmatively furthering fair housing, such as reasonable marketing activities; and
- e. The HACP must review its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications through the following steps:
 - (1) As part of the submission of the Annual MTW Report, the HACP must assess changes in racial, ethnic, or disability-related tenant composition at each site that may have occurred during the implementation of the site-based waiting list and tenant selection plan, based upon MTCS occupancy data that has been confirmed to be complete by an independent review;
 - (2) At least triennially, the HACP must use independent testers, or other means satisfactory to HUD, to assure that the site-based waiting list is not being implemented in a discriminatory manner, and that no patterns or practices of discrimination exist. The HACP must provide the results to HUD in its Annual MTW Report; and

- (3) The HACP must take any steps necessary to remedy any problems that surface during the review, and any steps necessary to affirmatively further fair housing.

B. Rent Policies

1. Implementation

No new rent policy may be implemented unless all procedures described in Article I. I. of the MTW Agreement are followed.

2. Rent Structure

- a. HACP is authorized to establish its own rent policies under this Agreement, notwithstanding the rent structure established by the Quality Housing and Work Responsibility Act of 1998 (QHWRA) and its implementing regulations, for all residents of public housing and tenant-based Section 8 recipients.
- b. HACP is authorized to establish unit rents based on the market value of the public housing unit, based on location, size, and neighborhood amenities. The rent system will be established such that the range of HACP housing products is associated with a range of prices. HACP will establish an intake, referral, and rent system whereby a family has a choice of housing options.
- c. Rents for families living in public housing units at the time this Agreement is executed will be grand fathered at current Brooke/QHWRA rents for the first year and will phase into value rents in subsequent years in a manner to be defined in the HACP's Moving to Work Annual Plan. New tenants and tenants that transfer to a new unit will automatically trigger the value rent policy.

3. New Form of Lease

The HACP is authorized to develop and adopt a new form of lease for public housing and tenant-based Section 8 assistance, provided that no-cause evictions are not permitted and a grievance process is retained. This lease is subject to the same community, resident, and Board review process as amendments to this MTW agreement

4. Restructure the Annual and Interim Review Process in Section 8/Leased Housing and Public Housing

As described below, the HACP is authorized to restructure the annual and interim review process for Section 8 tenant-based assistance and public housing and provide for exception reporting in order to reduce the number of reviews a participant receives in any calendar year and to reduce staff resources consumed by multiple reviews.

Notwithstanding the above, HACP will reexamine tenant income and characteristics and submit to HUD updated Multifamily Tenant Characteristics System (MTCS) data annually. Formal reexaminations/recertifications will be required at least once every two years in the manner currently prescribed by HUD. In any year where the HUD-prescribed reexamination/recertification is not conducted, HACP will instead make reasonable efforts to accurately determine tenant income and characteristics and will report this information to HUD. Such determination may take the form of tenant self-certification, provided that

the HACP reviews and confirms such information with the tenant either by phone or through an in-person interview. Third party verification in such years will be at the discretion of the HACP. Tenants must continue to execute a HUD-approved release and consent form as specified in 24 C.F.R. 5.617(b)(1) at least annually. HACP may submit for HUD's consideration additional measures to streamline the review process.

C. Comprehensive Human Services

HACP will provide a case management program designed to assist families served by the agency to achieve steady employment and to improve their circumstances and quality of life. HACP is authorized to require that nonelderly, non-disabled adult residents of public housing must either be steadily employed or they must participate in the case management program. Adult residents with disabilities and elderly residents may choose to participate in the HACP case management program but are not required to do so.

1. Independent Non-Profit Human Services Company

- a. HACP is authorized to establish a non-profit human services company to provide contract case management services to the residents of both its successful and distressed sites.
- b. HACP is authorized to enter into agreements with other government agencies, non-profits, or partners to co-own the human services non-profit company.
- c. Subject to prior HUD approval, the HACP shall be exempt from HUD regulations at 24 CFR 85.36 so that HACP may utilize an alternative system of procurement, subject to the following certifications by the HACP in relation to each transaction:
 - § The contract price is reasonable for the goods, services or property (if any) which are the subject of the contract.
 - § The non-profit is qualified to perform the terms of the contract.
 - § No individual member, officer or employee of the HACP shall derive personal financial benefit from nor hold an interest in the contract.
 - § All costs associated with such a transaction shall be allocated in accordance with basic cost allocation principles as required by OMB Notice A-122.
- d. Subject to HUD procurement rules or an alternative procurement system approved by HUD, HACP is authorized to enter into contracts with the human services non-profit provided that the aforementioned certifications are made with respect to each transaction.

2. Family Self-Sufficiency Plans

The HACP is authorized to operate its Family Self-Sufficiency (FSS) program exempt from HUD requirements and without any specific requirements governing program size or participation requirements; provided, however that if the HACP receives funding for an FSS coordinator, such funds must be used to employ a self-sufficiency coordinator.

D. HACP Leased Housing Assistance Program

The HACP is authorized to create its own Leased Housing Assistance Program. Under such a program, the HACP will be authorized to determine the following:

1. Reasonable contract rents and increases;
2. Tenant ability to exceed rents authorized by QHWRA, subject to Article I.I. of the MTW Agreement;
3. Lease length, certificate expiration and reissuance (more specifically, MTW will allow for the suspension of HUD lease terms, and term of assistance contracts);
4. Income qualification to participate in rental assistance program, subject to the income eligibility and targeting requirements applicable to the Moving to Work demonstration;
5. Property eligibility criteria, including types of units currently prohibited by Section 8 regulations (including, but not limited to assisted living facilities, nursing homes, or other housing as the HACP deems appropriate, consistent with its mission);
6. Waiting list procedures, tenant selection procedures, and criteria and preferences;
7. The content of housing assistance payments contracts with owners;
8. The content of contract rental agreements;
9. Damage claims and/or vacancy loss policy and payments for unoccupied units;
10. The percentage of leased housing assistance that is unit based, and criteria for expending funds for physical improvements on those units.
11. The term of unit-based assistance, up to the term of the MTW Demonstration;
12. Elements to be included in HACP's Administrative Plan, consistent with the local leased housing program;
13. Type of assistance to owners in screening prospective tenants;
14. Adjustments to the payment standard;
15. Standards for utility allowances;
16. Fees and costs to be included in rent;
17. Family obligations to the HACP regarding uses and occupancy of units; and,
18. Determination of rent reasonableness.

E. Funding Issues

1. Single Fund Budget with Full Flexibility

- a. Pursuant to Article I.B. of the MTW Agreement, the HACP may combine its public housing operating subsidies and modernization funds, and its tenant-based Section 8 assistance into a single, authority-wide funding source. The HACP may use this funding source to carry out the purposes of the MTW demonstration to provide flexibility in the design and administration of housing assistance to eligible families to reduce cost and achieve greater cost effectiveness in Federal expenditures; give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and increase housing choices for low-income families through, but not limited to the following activities:

- (1) Provision of modernization or operating assistance to housing previously developed or operated pursuant to a contract between HUD and the HACP or newly acquired or developed pursuant to section (2) below;
 - (2) The acquisition, new construction, reconstruction or moderate or substantial rehabilitation of housing (including, but not limited to, assisted living, nursing homes, or other housing as deemed appropriate by the HACP, in accordance with its mission), or commercial facilities which are consistent with the objectives of the demonstration, which may include but is not limited to real property acquisition, site improvement, development of utilities and utility services and energy efficiency systems, conversion, disposition, demolition, financing, demonstration and planning costs, relocation and other related activities; provided, however, that prior HUD approval is required for the development of any incremental public housing units;
 - (3) The provision of housing, employment-related services, or other case management activities, such as housing counseling in connection with rental or home ownership assistance, energy auditing, activities related to the provision of self-sufficiency and other services related to assisting tenants, owners, contractors, and other persons or entities participating or seeking to participate in other housing or training and educational activities assisted pursuant to this section;
 - (4) The provision of management services, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant and project-based rental assistance and management of housing projects or other facilities or operations developed under this program;
 - (5) The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of housing from crime;
 - (6) The provision of tenant-based or project-based rental assistance, alone or in conjunction with other private or public sources of assistance;
 - (7) The preservation of units currently serving people of low income or the acquisition and/or development of new units for people of low income; and
 - (8) Subject to Section 18 of the Act, the disposition of units currently in the HACP public housing portfolio to an independent non-profit organization for continued use as affordable housing.
- b. Subject to HUD procurement rules or an alternative procurement system approved by HUD, the above activities may be carried out by the HACP, by an entity, agent, or instrumentality of the HACP, a partnership, a grantee, a contractor, or other appropriate party or legal entity.
 - c. The HACP's expenditures must comply with OMB Circular A-87, which provides basic guidelines for the use of federal funds, and with this Agreement. Program-specific funding regulations governing allowable expenditures are suspended to the extent they are inconsistent with this Agreement.

- d. Timelines for the obligation and expenditure of funds for the duration of the demonstration will be established by the HACP in accordance with its Annual MTW Plan.
- e. The HACP will maintain a reasonable operating reserve in both public and leased housing programs, consistent with sound public and private housing management practices.
- f. Where it is necessary and reasonable, considering HACP's existing capital improvement needs, and notwithstanding section E.3.b.3 below, HACP is authorized to establish replacement reserves from the combined authority-wide funding source described in Section 2.F.1 for properties that will be transferred to the independent non-profit real estate holding company (described in Section 2.F.2.c, herein) in an amount not to exceed that which is required to ensure the long-term viability and affordability of the properties.
- g. The HACP is authorized to use unobligated modernization funds from years prior to MTW, (but after federal fiscal year 1997), in accordance with this Agreement.
- h. HACP is authorized to develop and adopt a reasonable policy and process for disposition of selected properties in its inventory to an independent non-profit real estate holding company that will own the properties. This new policy and process must be consistent with all applicable laws and regulations, including Section 18 of the Act, but may be administratively streamlined to enable the disposition of multiple properties in a single transaction.

2. Funding Methodology

During the term of the MTW demonstration, HUD will provide the HACP with public housing operating subsidies and modernization funds, and with tenant-based Section 8 assistance as provided in Attachment A.

3. Funding Disbursements

The HACP will receive its funding in accordance with the following disbursement requirements:

a. Operating Subsidies

- 1) The operating subsidies determined in accordance with Attachment A will be disbursed in accordance with standard HUD schedules for the disbursement of public housing operating subsidies.
- 2) HACP is eligible to receive add-on support for its units that are vacant due to circumstances and actions beyond the PHA's control as defined in 24 CFR 990.102. HACP units that are covered by any HUD-approved Conversion Plan will be treated as units approved for demolition for purposes of determining add-on support.

b. Capital Funds

- 1) The modernization funds determined in accordance with Attachment A will be disbursed in accordance with standard HUD procedures for the disbursement of public housing modernization funds

- 2) In requisitioning these funds, the HACP will not be required to provide line item detail, but will request the funds using a single MTW line item; provided however, that the HACP may not accelerate its draw downs of funds in order to fund reserves
 - 3) The HACP may use these funds for any eligible MTW activity consistent with this Agreement.
- c. Tenant-Based Section 8 Assistance
- 1) Tenant-based Section 8 funds will be disbursed by HUD to the Agency in accordance with the standard HUD schedules for the disbursement of such funds. Where Section 8 funds are used for purposes other than the Section 8 tenant-based assistance program, such funds will be disbursed by HUD to the HACP based on the schedule consistent with its approved MTW Annual Plan.
 - 2) HACP may restore any unobligated amount of Section 8 Assistance that has been diverted to other eligible uses through the Single Fund Budget with Full Flexibility authorized herein to the HACP Section 8 Assistance program, or its successor, upon termination of the Moving to Work Demonstration, following administrative procedures to be determined by HUD.
 - 3) At the conclusion of the demonstration, HACP will be entitled to funding attributable to the number of vouchers under ACC at the same level that HACP would have been entitled to had it not participated in the demonstration.

F. Administrative Issues

1. Recognition of the Distressed Status of HACP Public Housing Portfolio

In 1998 HACP had collaborated with HUD in assessing the long-term viability of its entire public housing portfolio. This collaboration resulted in the submission and subsequent approval of a Conversion Plan that recognized the distressed status of the majority of HACP housing stock and proposed a long-term program of replacement and demolition. HACP and HUD agreed then and agree now that this housing stock is distressed and must be systematically and expeditiously replaced through housing investments in existing Pittsburgh neighborhoods under the regulatory freedoms afforded through the Moving to Work Demonstration.

2. Reporting Requirements

a. Suspension of Current Evaluation and Reporting Requirement

- 1) During the term of the MTW demonstration, the HACP will be evaluated by HUD on the basis of its Annual MTW Plan and Annual MTW Report. This will replace the Public Housing Assessment System (PHAS) and the Section 8 Management Assessment Program (SEMAP) or any of their successors. Physical inspections of the HACP's housing stock will continue to be conducted by the Real Estate Assessment Center (REAC). The resultant scores will be reported to HACP as an input to its management information system and MTW Annual Plan and Report, and to HUD as an input to its evaluation of HACP's progress toward achieving the

goals of its MTW Annual Plan. Corrective action for any deficient physical assessment score must be proposed in the following year's MTW Annual Plan.

- 2) Whereas the HACP is a high performer under the most recent official assessment scoring system (PHMAP), and whereas further assessment under the new assessment scoring system (PHAS) is suspended for the duration of this MTW Agreement, the HACP will be entitled to any and all incentives, including bonus points, which may be applicable to any competitive proposals offered under the new PHAS system. During the course of the MTW Demonstration, and upon re-entry into PHAS at the end of the MTW Demonstration, HACP will retain a score under PHAS comparable to its current PHMAP score.
- 3) Whereas the HACP has entered into the MTW Demonstration prior to the implementation of SEMAP, and whereas further assessment under this system is suspended for the duration of this MTW Agreement, the HACP will not be entitled to incentives, including bonus points, which may be available to competitive proposals offered under the SEMAP system, nor will HACP be subject to any sanctions accorded to troubled agencies under this assessment program.

b. The HACP Annual MTW Plan and MTW Report

- 1) In lieu of the five (5) year plan and annual plan required by Section 5A of the 1937 Act, as amended, the HACP will prepare and will conduct its activities in accordance with an Annual MTW Plan and an Annual MTW Report. The Annual MTW Plan will serve as a comprehensive framework for HACP activities and will include resource allocation decisions. It will be submitted to HUD for its review no later than 60 days prior to the start of HACP's fiscal year (except that in the first year of the MTW demonstration it will be submitted within a reasonable period of execution of this Agreement). The Annual MTW Plan shall be submitted to HUD with a board resolution approving the plan and certifying that a public hearing has been held regarding the plan. HUD will review the Annual MTW Plan for consistency with this MTW Agreement. The elements to be included in the Annual MTW Plan and the Annual MTW Report are described in Attachment B. In addition, HACP's Annual Plan will include a statement on how the Plan complies with any outstanding court orders or settlement agreements concerning fair housing or civil rights. The Annual MTW Plan and Annual MTW Report will be submitted to HUD in a reasonable format to be specified by HUD.
- 2) The HACP will prepare an Annual MTW Report, including a Consolidated Financial Report describing the sources and uses of funds under this Agreement, which will compare the Agency's performance with its Annual MTW Plan. The Annual MTW Report will provide the information necessary for HUD to assess the HACP's performance, in both regular operations and in activities authorized by the MTW Demonstration Program. Except as otherwise provided in this Agreement, the Annual MTW Report will take the place of all other conventional HUD performance measures. All HUD forms and other reporting mechanisms, including any required certifications, will, where appropriate, be included in either the

Annual MTW Plan or the Annual MTW Report, and will not be submitted to HUD at other times during the year. However, HUD reserves the right to conduct independent physical inspections of HACP property and to require submission of any other information required by law or for sound administration of the program. The Annual MTW Report will be submitted to HUD for its review, no later than 90 days after the end of the HACP's fiscal year, except that the first report will be submitted within a reasonable period of the end of the fiscal year for which there is an Annual MTW Plan. The HACP shall submit with the Annual MTW Report, a board resolution approving the Report. HUD will review the Annual MTW Report for consistency with the Annual MTW Plan. The elements to be included in the Annual MTW Plan and the Annual MTW Report are described in Attachment B. The Annual MTW Plan and Annual MTW Report will be submitted to HUD in a reasonable format to be specified by HUD.

- 3) During the term of the MTW demonstration, to the extent provided in this Statement of Authorizations and unless otherwise specified, the HACP's Annual MTW Plan and Annual MTW Report will replace only those program-based reporting requirements which are applicable to the receipt of public housing operating subsidies and modernization funds and/or tenant-based Section 8 funds.
- 4) HACP will submit an annual audit that complies with the requirements of OMB Circular A-133 including the OMB Compliance Supplement, as determined by the auditor to be relevant to the MTW demonstration.

3. Simplification of the Development, Management, Operations and Disposition Processes

a. Independent Non-Profit Real Estate Development Company

HACP is authorized to establish an independent, non-profit real estate development company. This entity shall not be an instrumentality of or have an identity of interest with HACP. Subject to prior HUD approval, HACP is authorized to select this company as a Subgrantee under 24 CFR Part 84 to act as Master Developer and Master Planner for any housing development project proposed in the MTW Annual Plan. Subject to HUD approval of an alternative procurement plan under 24 CFR 941.602 (d) or other applicable regulations, HACP is authorized to select this company without 24 CFR Part 85 procurement as Owner Entity for any housing development project proposed in the approved MTW Annual Plan.

b. Simplified Development Processes

The HACP is authorized to develop and adopt reasonable policies and procedures that will allow local conditions to determine and control major development decisions as follows:

- 1) The HACP is authorized to establish reasonable cost limits for development and redevelopment activities that will replace HUD's Total Development Cost (TDC) limits in order to reflect local marketplace conditions for quality construction in Pittsburgh.
- 2) The HACP is authorized to establish reasonable and modest design guidelines, unit size guidelines and unit amenity guidelines for development and redevelopment activities that will replace HUD guidelines with guidelines that reflect local marketplace conditions for quality construction in Pittsburgh. However, any design guidelines developed by HACP must reflect HACP's continuing obligation to comply with Section 504 of the Rehabilitation Act, and the design and construction standards of the Fair Housing Act.
- 3) The HACP is authorized to establish reasonable low-income home ownership programs, such as a lease-to-own program, that are not limited by the existing Nehemiah and Section 5(h) program requirements, provided that any disposition of current public housing units must be approved in advance by HUD.
- 4) The HACP is authorized to acquire sites without prior HUD approval, provided that the HACP certifies that HUD site selection requirements have been met.

c. Independent Non-Profit Holding Company

HACP is authorized to establish an independent, non-profit, real estate holding company(ies) to own the selected, performing housing developments that are currently in HACP's portfolio. This entity shall not be an instrumentality of or have an identity of interest with HACP. Subject to HUD approval of an alternative procurement plan under 24 CFR 941.602 (d) or other applicable regulations, HACP is authorized to select this company(ies) without 24 CFR Part 85 procurement as owner entity(ies) for any housing development or preservation transaction proposed in the approved MTW Annual Plan.

d. Simplified Housing Management Practices

- 1) HACP is authorized to develop and adopt reasonable policies and procedures that will simplify, streamline, and enhance the delivery of management and maintenance services to HACP owned and operated communities that will remain in effect throughout the term of this agreement.
- 2) HACP is authorized to develop property and system inspection protocols in lieu of the current HUD standards

e. Simplified Operations Practices

- 1) HACP is authorized to develop and adopt reasonable policies and procedures that will simplify, streamline and enhance the operation of HACP.
- 2) Subject to prior HUD approval, the HACP shall be exempt from HUD regulations in 24 C.F.R. 85.36 so that HACP may develop an alternative system of procurement, subject to the following certifications by the HACP in relation to each transaction:
 - a. The contract price is reasonable for the goods, services, or property that is the subject of the contract.
 - b. The selected contractor is qualified to perform the terms of the contract.
 - c. No individual member, officer, or employee of the HACP shall derive personal financial benefit from nor hold an interest in the contract.
 - d. Reasonable efforts to procure competitive prices and services were made.

f. Simplified Disposition Administration Processes

- 1) Subject to Section 18 of the 1937 Act, HACP is authorized to develop and adopt a reasonable policy and process for disposition of selected public housing properties to an independent non-profit holding company that will own the housing. The new process must be consistent with all applicable laws and regulations but may be administratively streamlined to enable the submission of multiple property transfers to the independent non-profit holding company.
- 2) HACP will continue to own the land beneath such housing in perpetuity and ensure public accountability, consistency with HACP policy, and operational quality control through a ground lease, through the building sale documents, and through Section 8 voucher contracts.

4. Energy Performance Contracting

- a. HACP may, without prior HUD approval, enter into energy performance contracts with Energy Service Companies (ESCOs), also called Energy Service Agreements (ESAs), and make local determinations of the terms and conditions of energy performance contracts, including the debt service source, in order to satisfy reasonable financing requirements, provided that with respect to each contract (i) the term does not exceed 12 years, (ii) at least 50% of the energy cost savings are used to pay financing and debt service costs, (iii) and HACP maintains adequate file documentation showing the basis for HACP's determination that debt service payments can be funded from the reasonably anticipated energy cost savings. The HACP may also function as its own ESCo, provided that any financing complies with requirements (i) through (iii) of this paragraph. HUD will honor the terms and conditions of such contracts during and beyond the terms of the MTW demonstration.

- b. The HACP is authorized to pledge its reserves or other funds provided by HUD (for use during and after the term of the MTW demonstration) to guarantee the payment of debt service in the event that projected energy savings are not adequate to cover the debt service costs for an energy conservation project undertaken during the term of the MTW demonstration.
- c. To satisfy financing requirements, HUD will provide to the HACP any reasonable documentation affirming the terms of the MTW Agreement, including HACP's authority to enter into performance contracts or function as its own ESCo and HUD's agreement to freeze the HACP's utility consumption for purposes of calculating operating subsidy eligibility, as provided in this Agreement, during the term of the MTW demonstration and continuing for the term of any contract or financial agreement, as provided above.

Attachment A

Calculation of Subsidies

During the term of the MTW demonstration, HUD will provide the Housing Authority of the City of Pittsburgh (HACP) (agency) with operating subsidy, modernization funds, and Section 8 assistance as described below.

Definitions in this Attachment

Initial Year = The first Agency fiscal year in which the Agency begins operating under its MTW authority, which may be the same year as that in which the Agreement is executed.

Base Year = The most recently completed Agency fiscal year prior to the Initial Year. If the MTW agreement has been executed within 90 days of the close of a fiscal year, base year calculations may be developed using estimated year end data if acceptable to the agency and HUD. HUD may update base year data to adjust for actual year-end information if necessary.

MTW Units = Units authorized for participation in MTW activities, as provided in Section 1 of the Appendix to this Agreement.

MTW UMAs = Unit months of assistance provided by the agency to an eligible family.

1. Operating Subsidy

a) Formula

Each year, the agency will calculate Operating Subsidy, in accordance with instructions provided by HUD. The intent of these instructions is as follows:

- **Utility subsidy.** The agency's utility consumption is frozen for the life of the demonstration based on the three-year rolling-base in effect in the base year. Each year thereafter, the agency multiplies this frozen consumption by utility rates that are in effect at the time of budget submission. The agency is held harmless for any changes in utility prices (resulting in year-end adjustments for actual utility rates) but takes the risk/reward for any change in consumption. Any reduction in utility rates that result from administrative actions taken by the agency will be shared equally with HUD in accordance with regulations in effect upon execution of this agreement. Alternately, a THE AGENCY may choose to keep the full savings in prices if it elects to freeze both consumption and price in the base year for utilities.
- **Non-utility subsidy.** The agency will receive under MTW an amount equal to the non-utility subsidy eligibility in the base year assuming 97 percent occupancy. This amount is then adjusted annually by both the simplified delta and the

Allowable Expense Level (AEL) inflation factor. Dwelling rental, non-dwelling rental, and add-ons are fixed in the base year, with the following adjustments.

- Occupancy percentage. In the base year, occupancy is calculated as 97 percent. Each year thereafter, the agency may request an add-on for vacancies beyond the control of the agency. If approved, these vacant units will be funded at the base year dwelling rental income, multiplied by the cumulative AEL inflation factors.
- Add-ons. Transition funding for demolished units, long-term vacant unit funding, and funding for deprogrammed units will not be fixed in the base year but will be treated as add-ons each subsequent year. Additionally, if a the agency fixes a Family Self-Sufficiency (FSS) add-on into the base year, it must continue to maintain an equivalent level of effort throughout the demonstration for FSS-type activities.
- Simplified delta. On line 2a of the initial year HUD-52723, the Agency enters an amount equal to a simplified delta (.005) increase of the base year's delta/s (lines 2a and 2b of the HUD-52723). In each subsequent year of the demonstration, the previous year's delta amount is increased again by the simplified delta.

b) Unit Months Available (UMAs)

UMAs cannot exceed those UMAs established on the Performance Funding System (PFS) worksheet (HUD-52723) for the initial year of the demonstration. An agency may draw down additional UMAs up to the number of units under Annual Contributions Contract (ACC) as of August 21, 1996, provided that the agency did not receive Section 8 replacement housing for these units and provided that the agency remains accountable for serving substantially this number of households.

c) Subsidy pro-ration

Each agency will be subject to the same subsidy proration as non-MTW agencies. Hence, if the Congress appropriates only 97 percent of PFS eligibility, an agency will receive only 97 percent of its block grant operating subsidy for that year.

d) Demolition

For any units demolished during the demonstration period, an agency will have three options:

- Retain the UMAs by serving the same number of eligible families and not receive transitional funding or Section 8 replacement housing;
- Apply for Section 8 replacement housing. Once received, the agency will no longer be eligible for transitional funding and will reduce its UMAs; or

- Receive transitional funding, but not Section 8 funding. The UMAs will then be reduced as the transitional funding becomes effective.

e) Mandatory year-end adjustments

Mandatory year-end adjustments will be performed for: actual utility rates and any change in UMAs. An agency may also request a year-end adjustment for any vacancies beyond the agency's control that were not budgeted for and if the subsidy pro-ratio projection provided by HUD was later modified.

f) Financial reporting

An agency will submit a consolidated year-end financial statement for all MTW program activities and all other reports that HUD may require.

2. Comprehensive Grant Program

- a) An Agency's formula characteristics and grant amount will continue to be calculated in accordance with current law as of the date of execution of this Agreement.
- b) For modernization funds provided in years prior to the execution of this Agreement, an agency may submit, and HUD will approve, a request to reprogram, by grant year, any unobligated funds for eligible MTW purposes. Such request will be made in accordance with current procedures governing amendments to the Annual Plan under the current Comprehensive Grant Program, except that no public consultation will be necessary prior to submission of the request.
- c) All funds programmed for MTW purposes will be recorded and drawn down from MTW-designated line items on relevant HUD forms.

3. Section 8 Tenant Based Assistance

Units Eligible for Inclusion in Flexible Block Grant

- a) Conversion of existing Section 8 certificates and vouchers to Moving to Work units will be conducted according to instructions provided by HUD. A list of Section 8 units eligible for inclusion in the block grant ("MTW units") upon execution of this Agreement will be provided by HUD along with the instructions.
- b) The number of MTW units will not be adjusted throughout the duration of the demonstration unless: 1) any units under ACC that are not available upon execution of this Agreement become available for MTW purposes upon renewal or as otherwise authorized by HUD or 2) the Agency receives incremental Section 8 units, which the Agency may choose to convert into the block grant or to operate as a separate program, as provided in law.

Calculation of Annual Subsidy

Initial year of MTW Participation:

- a) 000000000 For the certificate and voucher programs, respectively, divide Total Funds Required by the Number of Unit Months, as provided in year-end settlement data for the base year. Combine the sum of these calculations in a weighted average to calculate a weighted, base year per unit cost. Multiply this amount by the inflation factor established for the calculation of renewals to arrive at an inflation-adjusted, MTW program per unit cost (MTWPUC) for the initial year.
- b) Multiply the MTWPUC by the total number of MTW units and the number of months [MTWPUC x MTW Units x 12] to arrive at a total MTW subsidy amount to be disbursed that year.

Second and Subsequent Years of MTW Participation:

- a) Multiply the total MTW subsidy established in the previous year (excluding reserves) by the annual inflation factor established for the calculation of renewal of Section 8 contracts to arrive at the current year's inflation-adjusted Section 8 MTW subsidy.

Reserves

- a) An amount equal to two months' program costs (MTWPUC x MTW units x 2) will be made available from existing Agency reserves for use as project reserves for MTW-eligible units.
- b) There will not be a year-end settle-up of annual funds provided for MTW units. All funds provided through this calculation will remain available for authorized purposes.

Instructions for Completing HUD-Form 52723 (5/96)
Calculation of PFS Operating Subsidy

A. Base year

Recompute the HUD-52723 using 97 percent occupancy (line 17) only if the agency used an occupancy percent that was less than 97 percent.

B. Initial year

Complete the HUD-52723, but with the following adjustments.

- Line 1, Previous AEL. For this figure, enter the product of the following equation, taken from the base year.
 - Line 30, Deficit before year-end adjustments.
 - Less: Line 10, Costs attributable to deprogrammed units
 - Less: Line 28f, Transition funding for demolished units.
 - Less: Line 28e, Long-term vacant units
 - Equals: Deficit before year-end adjustments, excluding funding for deprogrammed, transitional, and long-term vacant units.
 - Divided by: UMAs
 - Equals: Total subsidy, PUM
 - Less: AUEL (line 8)
 - Equals: Non-utility subsidy, PUM

Note: The above calculation determines the amount of non-utility subsidy in the base year, prior to year-end adjustments, subsidy pro-ration, and funding for deprogrammed units, transitional funding, and long-term vacant units.

- Line 2a. Enter the result of: the sum of lines 2a and .005 times the amount on line 2b of the base year HUD-52723, multiplied by 1.005. $[(2a + (2b \cdot .005)) \cdot 1.005]$
- Lines 3 and Line 4. Leave blank
- Line 5. Total of line 1 and line 2.
- Line 6. Enter AEL inflation factor.
- Line 7. Revised non-utility PUM (line 5 times line 6)
- Line 7a-b. Leave blank.
- Line 8. Multiply utility consumption from base year times current prices and then divide by base year UMAs.

- Line 9. Leave blank.
- Line 11. Total subsidy eligibility. Line 7 plus line 8. This is the subsidy eligibility before pro-ration and add-ons other than FICA and FSS.
- Part B. Leave blank.
- Part C. Leave blank.
- Line 24. Line 11 times UMAs.
- Line 25 through 28a. Leave blank
- Lines 28b-f. Enter adjustments as necessary.
- Line 28g. Enter adjustment for below-97 percent occupancy (if necessary).
- Line 29. Enter totals of lines 28b through 28g.
- Line 30. Line 24 plus line 29.
- Line 31-39. Leave blank.
- Line 40. Enter subsidy pro-ration.
- Line 41. Line 30 less line 40. This represents the agency's subsidy amount for the subject fiscal year.

C. Years Two through Five

Complete the HUD-52723, with the following adjustments.

- Line 1. Enter line 7 from previous year.
- Line 2. Multiply line 2a from previous year by 1.005
- All other lines. Complete as per instructions for Initial Year.

Attachment B

MTW ANNUAL PLAN AND REPORT ELEMENTS

ANNUAL PLAN	ANNUAL REPORT
<p>I. HOUSEHOLDS SERVED</p> <p>A. Number and characteristics of households served at beginning of period, by:</p> <ul style="list-style-type: none"> - unit size - family type (family vs. elderly or disabled) - income group (<30; 30-50; 50-80; >80) - housing type (LRPH; leased, other) - race & ethnicity <p>B. Identify number and characteristics of households on waiting lists (all housing types). Discuss waiting list issues and proposed actions</p> <p>C. Number projected to be served at end of period</p> <p>D. Narrative discussion/explanation of change</p>	<p>I. HOUSEHOLDS SERVED</p> <p>A. Number served: plan vs actual by</p> <ul style="list-style-type: none"> - unit size - family type - income group - program/housing type - race & ethnicity <p>B. Changes in tenant characteristics</p> <p>C. Changes in waiting list numbers and characteristics</p> <p>D. Narrative discussion/ explanation of difference</p>
<p>II. OCCUPANCY POLICIES</p> <p>A. Statement of policies governing eligibility, selection, admissions, assignment, and occupancy of families, including the admissions policy under section 16(a)(3)(B) for deconcentration of lower-income families</p> <p>B. Statement of Rent Policy</p>	<p>II. OCCUPANCY POLICIES</p> <p>A. Changes in concentration of lower-income families, by program</p> <p>B. Changes in Rent Policy, if any</p> <p>C. Narrative discussion/explanation of change</p>

<p>III. CHANGES IN THE HOUSING STOCK</p> <p>A. Number of units in inventory at beginning of period by program (LRPH, leased, other)</p> <p>B. Projected number at end of period by program</p>	<p>III. CHANGES IN THE HOUSING STOCK</p> <p>A. Number of units in inventory by program: planned vs actual</p> <p>B. Narrative discussion/explanation of difference</p>
<p>IV. SOURCES AND AMOUNTS OF FUNDING</p> <p>A. Identify/discuss all sources and amounts of funding included in consolidated budget statement</p> <p>B. Identify/discuss sources, amounts, and planned uses of special purpose funds outside the consolidated budget (e.g., DEG)</p> <p>C. Consolidated Budget Statement</p>	<p>IV. SOURCES AND AMOUNTS OF FUNDING</p> <p>A. Planned vs actual funding amounts</p> <p>B. Narrative discussion/explanation of difference</p> <p>C. Consolidated Financial Statement</p>
<p>V. USES OF FUNDS</p> <p>A. Previous year expenditures by line item</p> <p>B. Planned expenditures by line item</p> <p>C. Description of proposed activities/investments by line item/explanation of change from previously approved plan</p> <p>D. Reserve balance at beginning of year. Discuss adequacy of reserves</p>	<p>V. USES OF FUNDS</p> <p>A. Budgeted vs actual expenditures by line item</p> <p>B. Narrative/explanation of difference</p> <p>C. Reserve balance at end of year. Discuss adequacy of reserves</p>
<p>VI. CAPITAL PLANNING</p> <p>A. Describe major capital needs and projects, estimated costs, and proposed timetables</p>	<p>VI. CAPITAL PLANNING</p> <p>A. Planned vs actual expenditures by property</p> <p>B. Narrative discussion/explanation of</p>

B. Identify planned expenditures C. Demolition and Disposition Requests, if planned D. Homeownership activities, if any	difference
MANAGEMENT INFORMATION FOR OWNED/MANAGED UNITS	
A. VACANCY RATES 1. Vacancy rates by property beginning of period 2. Narrative: issues and proposed actions 3. Target rates by property at end of period	A. VACANCY RATES 1. Target vs actual vacancies by property 2. Narrative/explanation of difference
B. RENT COLLECTIONS 1. Rents Uncollected (%) beginning of period 2. Narrative: issues and proposed actions 3. Target % at end of period	B. RENT COLLECTIONS 1. Target vs actual collections 2. Narrative/explanation of difference
C. WORK ORDERS 1. Response rates beginning of period <ul style="list-style-type: none"> • % emergency within 24 hrs • % regular within 30 days 2. Narrative: issues and proposed actions 3. Target rates at end of period	C. WORK ORDERS 1. Target vs. actual response rates 2. Narrative/explanation of difference
D. INSPECTIONS 1. Description of inspection strategy 2. Planned inspections (% this FY)	D. INSPECTIONS 1. Planned vs actual inspections completed 2. Narrative/discussion of difference

	3. Results of independent PHAS inspections
E. SECURITY 1. Narrative: security issues and proposed actions	E. SECURITY 1. Narrative: planned vs actual actions/ explanation of difference
VIII. MANAGEMENT INFORMATION FOR LEASED HOUSING	
A. LEASING INFORMATION 1. Units under lease (%) beginning of period 2. Target lease up rate at end of period 3. Plans regarding: <ul style="list-style-type: none"> • Ensuring rent reasonableness • Expanding housing opportunities • Deconcentration of low-income families 3. Issues and proposed actions	A. LEASING INFORMATION 1. Target vs actual lease ups at end of period 2. Information and Certification of Data on Leased Housing Management, including: <ul style="list-style-type: none"> • Ensuring rent reasonableness • Expanding housing opportunities • Deconcentration of low-income families 3. Narrative/explanation of differences
B. INSPECTION STRATEGY 1. Description of inspection strategy, including: <ul style="list-style-type: none"> a) Planned inspections completed (% this FY) by category: <ul style="list-style-type: none"> • Annual HQS inspections • Pre-contract HQS inspections • HQS Quality Control Inspections b) HQS Enforcement 	B. INSPECTION STRATEGY 1. Results of strategy, including: <ul style="list-style-type: none"> a) Planned vs actual inspections completed by category: <ul style="list-style-type: none"> • Annual HQS inspections • Pre-contract HQS inspections • HQS Quality Control Inspections b) HQS Enforcement 2. Narrative/discussion of difference
IX. RESIDENT PROGRAMS 1. Description of activities	IX. RESIDENT PROGRAMS 1. Narrative: planned vs actual actions/

2. Issues and proposed actions	explanation of difference 2. Results of latest PHAS Resident Survey, or equivalent as determined by HUD.
X. OTHER INFORMATION REQUIRED BY HUD	
A. Board Resolution <ul style="list-style-type: none"> • Adopting Plan • Certifying that Public Hearing Requirements were met B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement C. Submissions required for the receipt of funds	A. Results of latest completed 133 Audit, (including program-specific OMB compliance supplement items, as applicable to the HA's Agreement) B. Required Certifications and other submissions from which the Agency is not exempted by the MTW Agreement C. Submissions required for the receipt of funds